August 14, 2008

To: California Affiliates of Habitat for Humanity

RE: California Habitat for Humanity Loan Purchase Program

CalHFA has temporarily suspended future funding for the Habitat for Humanity Loan Purchase Program. Due to CalHFA funding constraints, no new funding announcements, including the anticipated December 2008 announcement, will be published until further notice. This action does not affect previously issued Habitat for Humanity commitments or the commitments that have been awarded from applications submitted under the December 14, 2007 Announcement of Available Funds. It is our hope that Program funding may resume within the future as funding sources become available.

Commitments to purchase loans under the three funding rounds for the Habitat for Humanity Program were issued to 12 California Affiliates of Habitat for Humanity. These commitments total \$8.3 million and represent 117 affiliate loans.

We truly appreciate the efforts of the California Habitat for Humanity Affiliates for their input into the development of the Habitat for Humanity Loan Purchase Program and for their support over the past three years. We recognize that this support has directly contributed to the success of the Program.

At your convenience, please visit CalHFA's web site (www.calhfa.ca.gov) to read about other multifamily and homeownership loan products that the Agency is currently offering. You may also contact Tom Nann, Habitat for Humanity Program Manager at (916) 322-0651 or tnann@calhfa.ca.gov.

Sincerely,

Theresa A. Parker Executive Director

Merion & Parker